

EXHIBIT 13

**CITY OF DETROIT REQUEST FOR PROPOSALS 22PC182115
ADDENDUM NO. 2
POLICE AUTHORIZED TOWING SERVICES
QUESTIONS AND RESPONSES
March 28, 2022**

- 1. Due to COVID -19 staff shortages on the State and Local levels, may the RFP submission date be postponed 90 days to obtain the required information?**

No, the RFP due date will not be extended for 90 days. However, the due date will be extended from April 1, 2022 to April 8, 2022. Towers should respond to the Request for Proposal and note any information that is not available at this time as well as when it will be available.

- 2. When will the responses of our submitted questions be available?**

The questions will be answered as expeditiously as possible and posted in Oracle.

- 3. Will there be an active Tow Rate Commission to review the rates set and provide feedback for rate changes? How frequently will the Tow Rate Commission meet? Will the Tow Rate Commission include a representative and/or feedback from the towing industry so bidding companies know that rates will be adjusted to reflect changing costs?**

The City cannot provide a definitive answer on this. In the event the Tow Rate Commission did meet, it would be required to operate in accordance with local requirements.

- 4. When will the new Tow Monitor be in place?**

The City cannot provide a definitive answer on this. Towers may contact the commanding officer of the DPD's Management Services Section, currently Captain Brandon Lewis, on matters pertaining to towing.

- 5. The RFP Section 6 (p 2). For clarification, can Towers be provided with a comprehensive list to ensure full compliance?**

No, towers are expected to be thoroughly familiar with the laws that apply.

- 6. The RFP and Attachment A both identify impound hours as 7:00 AM to 10:00 PM Monday through Saturday. These hours set late into the evening cause safety concerns for these businesses, neighborhood and staff. Would the City reconsider the late hours of operation, instead using a closing time more consistent with other businesses and municipalities of 5:00 PM?**

Not at this time. Please note that the hours represent "the ceiling" and that towers will only be required to keep their lots open during the same time frame as DPD lots.

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- 7. The Attachment A to the RFP requires proof that the Administrative Fee is current. What form of proof will the OCP accept as proof that all Fee's are current?**

Please list administrative fees remitted for the past 2 years and confirm that all required fees were in fact remitted.

- 8. The RFP Attachment A; Heavy Duty; Is the intention to apply that weight limit to a Gross Vehicle Weight or Gross Vehicle Combined Weight?**

The most recent tow rate resolution speaks to the charges that may be assessed. The weight is listed in that resolution.

As far as determining what truck is needed at the scene, that is coordinated between the DPD officers and the tow companies based on information available at the scene of the tow.

- 9. The RFP Attachment A signage: What information will be required to be posted?**

Information pertaining to rates, documents required for redemption of the vehicle, methods of filing complaints, etc. More specific information will be provided at a later time.

- 10. The RFP Attachment A return of a vehicle to an owner; Will the custodian tow company be obligated to release a vehicle if a secondary tow company appears to conduct a second tow and does not possess the required workers compensation or other insurance?**

Towing companies will not be required to admit uninsured or unlicensed towing companies onto their lots.

Towing companies will not be required to release vehicles to a towing company that does not have the appropriate authority to operate as a towing company.

- 11. This RFP identifies that subcontracting is prohibited; In the event a tow company is dispatched and is aware of another police authorized tow company already near the traffic incident requiring a tow, may the dispatched tow company report to dispatch that another police tow company is already in the vicinity of a traffic incident and may respond more quickly? By assisting in this manner, does it result in a cancelled tow? In the event a tow requires specialized equipment, may the tow company already on scene contact a provider of specialized equipment in order to have the tow completed timely?**

If a tower is dispatched to a tow, the City expects the tower to handle the run in a timely manner. The City will entertain requests to subcontract, but towers should not assume

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approvals will be issued. Furthermore, there should be no organized sharing of resources or situations where one company is working at the behest of another without the approval of the DPD.

Random acts of kindness or coordination between tow companies will not be prohibited. However, to prevent the appearance that such random acts are violations, tow companies must disclose when such acts take place.

12. The RFP and the Attachment A to the RFP both provide that an eligible company can submit a proposal to tow vehicles only to DPD lots.

Companies that do not want to take on the burdens of maintaining a lot, office staff, etc. are free to submit a bid to only tow vehicles to a DPD lot.

Companies applying for this type of contract do not have to be responsive to any requirements that would not logically apply to a “tow-only” operation. This includes, for example, requirements pertaining to a storage lot, customer service areas, etc.

However, tow companies must always comply with all local, state, and federal regulations. For example, if a tow company tows non-DPD tows to its facility, then the facility must be able to demonstrate that it complies with all local, state, and federal laws.

13. The RFP Attachment A, Section 3 (p 2) Will disclosures be available by FOIA?

If the FOIA laws require that the City release them, then the City will release them.

14. Are the requirements any different for those companies than for those to use storage?

There are certain requirements that will not apply. See response to question 12.

15. Will the company not involved in storage be required to maintain the same office, insurance, toilet, signage, and other requirements associated with the storage and release of a vehicle?

See response to question 12.

16. The RFP Section 9 requires a submission of a CPA Certified Financial Statement. What is specifically requested by a CPA Certified Financial Statement?

A certified financial statement is an audited financial statement.

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- 17. For certifications from CRIO that were obtained for prior submissions, do those remain valid to satisfy the instant requirement or does OCR require a new request?**

The towers should examine their documents to see when the certifications expire. Towers should not submit certifications if the tower knows or has reason to know that the certification is no longer valid or the basis for the certification no longer applies.

- 18. Section 10(f) of the RFP Attachment A; Is this “standby” service optional or required? If required, will the tow company be provided payment for the service time required to remain on “standby”? Further, is agreeing to provide this standby service a requirement for obtaining this contract?**

Towers will be required to participate in the standby service as explained in the RFP. Towers will not be paid for this service.

- 19. The RFP Section 10 (2) Specifically, what is being requested here for additional services? If a tow company cannot provide additional services, will they receive fewer points? What metric is being used to determine the award of points based on the costs for the additional services?**

Additional services include anything in addition to traditional towing and storage activities. No tower will be disqualified for not offering additional services. The scoring will depend on the submissions received.

- 20. The Indemnity provision; Does this indemnity apply also to vehicles solely released by the Department? Should this be reworded to apply to those vehicles released by the tow company only?**

The indemnity provision is designed to shield the City from liability resulting from police authorized towing activities conducted by private towers.

- 21. The RFP Attachment A Section 11(g); Is this something that can be limited to business hours or at least during daytime hours?**

If feasible, the DPD will conduct inspections during business hours or at least during daytime hours.

- 22. The RFP Section 18 (p 7); This is unclear as to what is being requested, please elaborate to clarify the specific request so we may ensure it is met.**

If the company offers services that are outside of traditional towing and recovery services, then the City is requesting that the services be priced out for the City’s consideration.

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23. Section 19, p 7; What specifically is this requirement asking for?

The City is requesting a high-level overview of company operations and functions.

24. The RFP further requires employee names, resumes, skills, and such. Will this information be available by FOIA?

If the FOIA laws require release, then the City will release the information.

25. Will the Department honor Former Chief Craig's agreement with City towing to only perform 25% of tows per month?

Absent change of circumstances, the Department will deploy its tow trucks in such manner and subject to the same conditions, reservations, and discretions as set forth in the former Chief of Police James E. Craig's letter to the Detroit City Council, dated May 4, 2020.

26. Will the Department provide new rules for towing, or will the 2013 rules put in place by the BOPC be followed? Will the Department provide a copy of the towing rules to every tower?

The terms and conditions of the contract will constitute the rules that govern police authorized towers.

27. What will be the turnaround time for the towing Contracts?

The City desires to finalize the contracts as soon as possible. However, an exact date is not available at this time.

28. Will the Department continue to provide monthly tow logs to ensure a fair and equitable rotation?

The DPD is willing to provide monthly reports subject to the same conditions, reservations, and discretions as set forth in the former Chief of Police James E. Craig's letter to the Detroit City Council, dated May 4, 2020.

29. Please provide clarification on "key personnel" ie. does this mean owners, directors, and managers OR any employee who will provide services under the RFP?

Anyone who will provide services under the RFP should be reported.

30. If a towing company uses a third-party payment processor for credit card payments that charges a "Site Fee" based on percentage of sale, which is paid by the consumer

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directly to the site, would this satisfy this requirement that the tower is charging the same fee for cash and credit cards since the fee is never collected or remitted to the tower?

As long as the tow company accepts cash, the DPD will not consider a 3rd party's standard convenience fee for credit card payments to violate the rules for police authorized towers.

31. Are joint ventures allowed?

As long as the joint venture understands that it will be treated as a single business entity and that each participant in the joint venture is responsible for the actions and inactions of others involved in the joint venture, then there will be no issue. A joint venture group will only be awarded one contract for the entire group.

32. Attachment A, Section 3: the language requests a "list of any and all civil cases (pending and closed) where the company or any of the company's owner, directors, managers, and employees have been named as a defendant." Are employees' cases necessary to be identified if they do not involve towing matters (e.g, divorce, child support, dog-bite)?

Civil actions of a pure family nature do not have to be reported.

33. Attachment A, Section: same language as in Question 2. Is there a time limit on cases that must be identified: 3,5 or 20 years; please clarify?

Ten years.

34. Attachment A, Section 3: same language as above: do we have to list abandoned vehicle petitions that are filed? In 36th District Court only or all courts throughout the state? Is there a time limit for disclosure: 3,5 or 20 years, please clarify?

Companies must include in their disclosures abandoned vehicle petitions. This disclosure is NOT limited to 36th District Court. The company is only required to go back 10 years.

35. Attachment A, Section 4. Disqualifying Factors. Will the City/DPD please consider the removal of the second bullet point of the disqualification factors (for those companies that have NOT been debarred) since this directly conflicts with and contradicts the City's policy of giving companies and individuals a fresh start/second chance? Please consider that a towing company (e.g., Felon Towing, LLC) owned by a felon (Mr. Donnie Dealer) convicted 9 years ago (and thus, no disclosure is necessary under Section 3) could submit a proposal that would be considered but a towing company suspended for 45 days 6 years ago for a towing

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rules violation by the Board of Police Commissioners would not be and would be disqualified.

The RFP will not be modified in this regard at this time.

- 36. Attachment A, Section 4: Will the City /DPD please consider amending the rule to provide that if selected, a towing company would serve on a one-year probationary period and if successful, could thereafter be authorized to fulfill the remainder of the contract (4 years) (again, this would not apply to debarred companies)?**

The RFP will not be modified in this regard at this time.

- 37. Can a proposer submit a request to both tow to the City's yard and its own storage yard? The rationale is that if awarded a contract, depending upon the number of companies selected by the City, this would allow a proposer to better plan its deployment of resources.**

The City has no objection to companies wishing to apply for both. The company should, however, indicate a preference so that the selection committee can make an appropriate recommendation.

- 38. Attachment A, Section 8 at page 4 the language "All police authorized tow companies must, defend, indemnify and hold harmless the City of Detroit from all claims arising out of the improper release of a vehicle." Can this sentence be amended to add at the end "by the police authorized tow company". Proposers are concerned that they are indemnifying the City from a claim arising out of an improper release by the City of Detroit/DPD. Please clarify this.**

Yes, the City will accept the red-line edits transmitted to the City to make this provision more clear.

- 39. The City apparently has a slight backlog in the processing of clearances and/or conducting inspections in order to obtain a DBB/DHQ/DSB renewal or certification. Section 10 of the RFP provides in bold "The appropriate CRIQ certification must be attached to the proposal to receive the allotted points." (emphasis in original). Will you consider an extension of the due date of this RFP to address this, as this is critical for all proposers in order to obtain the most points available.**

The City has granted a one (1) week extension to April 8, 2022. Proposers should submit their proposals and disclose any documents they are currently waiting on. This will allow the City to continue the procurement process while the tower waits for the documents to come in.

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- 40. Do the fifteen contracts potentially awarded include both tow companies without impound yards as well as tow companies with impound yards?**

Yes.

- 41. Do towing companies without impound yards have to adhere to the same requirements as towing companies with impound yards? Could the RFP be amended to clarify this distinction?**

Tow companies that only desire to tow vehicles do not have to adhere to requirements that rationally apply only to a storage yard.

- 42. How many tow companies without impound yards do you anticipate awarding contracts to?**

The City / DPD does not know. This would depend on the number of companies that apply for this sort of contract and the strength of their proposals.

- 43. Item 10 in the RFP “Rotational Towing System” offers preferential towing to the City-owned Police Towing and Impound Unit. Will the rotation evenly distribute calls to all contracted towing companies? If not, how will calls be distributed.**

When DPD towing is not available, towing opportunities will (to the extent feasible) be equitably distributed amongst private towing companies. The rotations will be determined, in part, based on the number of towers that are awarded contracts and their geographic locations.

- 44. The Police Authorized Towers have not had a tow rate increase since 2013. Increased costs of running a tow business, especially as it relates to fuel, create an urgent need to improve towing rates. We respectfully request the City’s Tow Rate Commission work on this as soon as possible.**

The towers’ request is noted.

- 45. As to the Tow Rate Commission, has one been formed and will they be meeting to address rates soon? If a Tow Rate Commission has been formed, will Tow companies be made aware and will we be informed of the depth of knowledge of towing the Commission will have?**

If / When the Tow Rate Commission meets, it will be required to adhere to local rules and laws governing that body.